



**INTELLECTUAL PROPERTY SECURITY AGREEMENT**

This Intellectual Property Security Agreement (this "Agreement") dated as of July 13, 2006 (as defined in the Loan Agreement) is between **SILICON VALLEY BANK** ("Bank") and **TEXAS ADVANCED OPTOELECTRONIC SOLUTIONS, INC.**, a Nevada corporation ("Grantor").

RECITALS

A. Bank has made advances to Grantor ("Loans") as described in that certain Loan and Security Agreement dated as of July 13, 2006 (as the same may from time to time be further amended, modified, supplemented or restated, the "Loan Agreement"). Capitalized terms not otherwise defined herein shall the meaning set forth in the Loan Agreement.

B. Borrower has requested that Bank amend the Loan Agreement, and Bank as agreed, subject to, among other things, Grantor's granting to Bank a security interest in Grantor's Copyrights, Trademarks, Patents, and Mask Works and other intellectual property (the "Intellectual Property Collateral").

C. Grantor has granted Bank a security interest in all of its right, title and interest, presently existing or later acquired to all the Collateral.

AGREEMENT

Grantor grants Bank a security interest in all of its right, title and interest in its Intellectual Property Collateral (such as the Copyrights, Patents, Trademarks and Mask Works listed on Schedules A, B, C and D), and all proceeds (such as license royalties and proceeds of infringement suits), the right to sue for past, present and future infringements rights throughout the world and all reissues, divisions, continuations, renewals, extensions and continuations-in-part.

This security interest is granted in conjunction with the security interest granted under the Loan Agreement. Bank's rights and remedies in the security interest are in addition to those in the Loan Agreement and the other Loan Documents, and those available in law or equity. Bank's rights powers and interests are cumulative with every right, power or remedy provided here. Bank's exercise of its rights, powers or remedies in this Agreement, the Loan Agreement or any other Loan Document, does not preclude the simultaneous or later exercise of any or all other right, power or remedy.

**BANK:**

**GRANTOR:**

**SILICON VALLEY BANK**

**TEXAS ADVANCED OPTOELECTRONIC SOLUTIONS, INC.**, a Nevada corporation,

Melissa Meag  
(Signature)

Rob S. Laney  
(Signature)

Relationship Manager  
(Title)

President / CEO  
(Title)

EXHIBIT A

Copyrights

<u>Description</u>	Registration/Application <u>Number</u>	Registration/Application <u>Date</u>
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N/A

**EXHIBIT B**

## Patents

<u>Description</u>	<u>Registration/Application Number</u>	<u>Registration/Application Date</u>
Transimpedance amplifier	7,019,589	April 14, 2004
High Sheet MOS resistor method and apparatus	6,703,682	December 21, 2000
Method and apparatus for light to frequency conversion	6,635,859	February 19, 2002
Method and apparatus for optical detector with special discrimination	6,596,981	January 14, 2002
Method and integrated circuit for bandgap timing	6,590,372	February 19, 2002
Method and integrated circuit for temperature coefficient compensation	6,556,155	February 19, 2002

EXHIBIT C

Trademarks

<u>Description</u>	<u>Registration/Application Number</u>	<u>Registration/Application Date</u>
Texas Advanced Optoelectronic Solutions	Serial No. 75-926,366	February 23, 2000
	Registration No. 2,497,840	October 16, 2001
Logo-Circle Design (Mixed Signal Semiconductors)	Serial No. 76-353,165	December 21, 2001
	Registration No. 2,699,805	March 25, 2003
Lumenology	Serial No. 76-095,885	July 11, 2000
	Registration No. 2,583,483	June 18, 2002

EXHIBIT D

Mask Works

<u>Description</u>	<u>Registration/Application Number</u>	<u>Registration/Application Date</u>
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N/A